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Mid-term review of the fifth country programme for Malawi

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I. THE MID-TERM REVIEW PROCESS

1. The mid-term review of the fifth country programme for Malawi took stock of achievements and considered various aspects that had hindered or might in the future hinder the progress of programme implementation, impact and sustainability. The review offered concrete suggestions and recommendations on aspects ranging from policy to managerial and specific operational issues.

2. The mid-term review process commenced in September 1993 and culminated with the meeting itself, held on 28 February 1994. In preparation for the review, a Government/UNDP task force comprising representatives from the coordinating ministries and departments as well as the major relevant sectoral ministries was established to prepare the joint issues paper. The review was preceded in February by a preparatory meeting attended by Principal Secretaries of the key ministries to discuss the issues paper in detail. Concurrently, a special Government-led task force was established to address policy and operational issues related to national execution, which it was felt should be discussed in depth outside the mid-term review meeting itself.

3. The joint issues paper emphasized three important issues: (a) it reiterated that the socio-economic situation prevailing in the country justified the programme focus on poverty alleviation; (b) it summarized the status of the four core programmes as well as information regarding the actual expenditure of indicative planning figure (IPF) and non-IPF resources during the first two years of the fifth cycle; (c) it covered the operational issues that needed to be addressed to facilitate the smooth implementation of the core programmes.

4. The mid-term review first considered the relevance of the country programme to national priorities and concerns. A review then followed of the effectiveness of new approaches, initiatives and modalities within the context of Malawi. Thereafter, major issues related to: the policy environment; the design and management of the programmes; and operational aspects of implementation. Recommendations and follow-up actions were proposed to improve the overall effectiveness of the programme in terms of its impact on poverty alleviation and sustainable human development.

5. Invitations to the mid-term review were extended to most ministries and Government institutions, United Nations agencies, the World Bank and non-governmental organizations (NGOs). The Government was represented by high-level policy makers from the Office of the President and Cabinet, Economic Planning and Development, District Administration and Rural Development, the Department of Personnel Management of Training, the Ministry of Finance and the four lead ministries responsible for the core programmes, as well as officials from other ministries. In addition, national programme and component managers were present to comment on policy and operational aspects pertaining to programme implementation. The mid-term review was chaired by the Secretary to the Treasury and attended by 55 participants.

II. THE FIFTH COUNTRY PROGRAMME BACKGROUND

6. The fifth country programme for Malawi should be seen in the context of the political transformation which the country has been undergoing since 1991. After nearly three decades of single-party control over the country, internal pressures from various church and other groups forced the Government into dialogue for a freer and more democratic society.

7. It is against this backdrop that the country programme was submitted to the Governing Council at its thirty-ninth session (1992). In section II of its decision 92/25 of 19 May 1992, the Council approved the programme for the full-year period, subject to a "policy review, after one year, of the enabling social and political environment and its effect on the implementation of the country programme". Concerns similar to those of the Council were expressed by bilateral and multilateral donors at the Consultative Group meeting held in Paris in May 1992. The meeting recommended a suspension of international aid, except for humanitarian assistance, pending tangible and irreversible evidence of improvement in human rights and governance.

8. In 1992, signs of positive change in the political environment began to emerge. Pressure groups were given more freedom for political action and significant progress was made on human rights issues. In June 1993, a national referendum was held to decide whether the country should move to a multi-party system. The majority of people (63 per cent) voted for the introduction of multi-party democracy. Further progress made in the second half of 1993 and the first quarter of 1994 led to amendments in the constitution, the repealing of anti-democratic legislation and the scheduling of multi-party elections in May 1994. Most noteworthy is the peaceful and positive environment within which the political transformation has been taking place.

9. In light of the progress made in Malawi, the Governing Council in its decision 93/20 endorsed the recommendation of the Administrator to continue the implementation of the fifth country programme for Malawi. The Consultative Group meeting held in December 1993 also recommended resumption of aid subject to further progress in the democratization process.

III. PROGRAMME RELEVANCE AND ACHIEVEMENTS

A. Programme objectives and priorities

10. At mid-point, the central programme objective of poverty alleviation responds well to the attention being given to poverty issues in Malawi. The programme has adjusted its priorities to respond to the changing political scene and also to the impact of the drought that struck the country in 1992.

11. A positive change in emphasis from the formulation stage of the country programme has been the very active involvement of UNDP in the democratization process. This responds to the concerns expressed by the Governing Council and at consultative group meetings mentioned earlier, and to opportunities which the new environment presented.

12. In view of the complexity of poverty alleviation strategies, and the need to develop a supportive macro-economic environment, the mid-term review approved UNDP support to the new capacity-building programme for economic management, which resulted from the recommendation of a mid-term evaluation of the fourth programme umbrella project "Support to Economic Planning and Development and the Economic Common Service" (MLW/90/002), held in November 1993. The evaluation recommended that the project be terminated in its present form and redesigned to reflect an integrated rather than piecemeal approach to capacity-building.

13. The mid-term review reaffirmed the relevance of the programme priorities, namely poverty alleviation, governance, development and macro-economic management. These areas have been recognized as complementary. The supporting programmes and components, if properly coordinated, should create a conducive environment for sustainable human development and poverty alleviation.

B. Main programme features

14. The programme contains many innovative features as compared with its predecessor. Its focus on poverty alleviation as the core theme has facilitated the formulation of an integrated set of programmes directed towards the same goal. It also marks a significant shift in favour of (a) advocacy and policy dialogue, (b) district-level activities, and (c) participatory approaches to development. Four areas of concentration (smallholder agriculture; micro- and small-scale enterprise; social services development; and management for development, including governance) benefit from 94 per cent of IPF resources against a planned target of 88 per cent. Most of the projects inherited from the fourth country programme that did not directly support the new focus on poverty alleviation were phased out in 1992-1993.

15. At the time of the mid-term review, only 33 projects and components were still operational against 67 in 1992. This trend will continue as projects come to an end in 1994 and 1995. As a result, fewer larger projects/components (20-25) will remain operational in 1996 under the areas of concentration mentioned above. In order to increase the effectiveness and impact of the programme, the Government and UNDP decided to concentrate activities in six local impact areas, selected on the basis of their low level of human development. This geographical focus aims at providing the opportunity for testing new systems within a limited area before extending successful pilot activities to other districts.

16. A prominent feature of the fifth programming cycle has been the positive contribution of UNDP to the advancement of the democratization process. UNDP has played an active role in facilitating donor assistance to democratization in Malawi. It has also contributed to mobilizing United Nations and international expertise in human rights, constitutional and legal issues, good governance, and electoral organization. Expertise from the United Nations Electoral Assistance Unit, the United Nations Centre for Human Rights and the International Centre for Jurists in particular was tapped and mobilized with maximum efficiency for capacity-building, as well as troubleshooting to keep the democratization process on track. UNDP financial support to the transition was minimal compared with its substantive, logistical and facilitative role throughout the process.

C. Programme achievements

17. UNDP involvement in the policy dialogue with the Government and representatives of the six local impact areas has been a key feature of the country programme. Since 1991, UNDP, in collaboration with other United Nations agencies, has engaged in an intensive policy dialogue and played a strong advocacy role for poverty alleviation, governance, decentralization and popular participation. This policy dialogue has had a direct impact on the design and implementation strategies of the programme. However, the lack of familiarity with the new approaches and modalities on the part of all partners, including UNDP and agencies, led to a lengthy process of design and redesign of programmes and components, and consequent delays in implementation, resulting in frustrations among district authorities and representatives of local communities.

18. A report entitled "Situation analysis of poverty in Malawi" was produced in close collaboration between the Government, UNDP and the United Nations Children's Fund (UNICEF). The report was approved by the National Economic Council in November 1993 and opened the way towards collaborative plans of action. It was tabled at the Consultative Group meeting held in Paris in December 1993. A high-level national workshop on collaborative programming for poverty alleviation, involving NGOs, the private sector, religious organizations, political parties and donors was organized by the Government from 6 to 9 March 1994.

19. Two other key areas of dialogue between the Government and UNDP pertain to decentralization and participatory approaches to development. Dialogue on the former had an influence on the approval by the Government of a decentralization policy, currently being finalized. At the operational level, the policy dialogue on decentralization brought a sharper focus to the district activities of the programme. Active dialogue on participatory approaches encouraged a more favourable attitude on the part of the Government towards collaboration with NGOs and other grass-roots organizations in the implementation of the programme as well as more generally.

20. It should be noted that while the process of design and adjustment of programme components was taking place, operations continued under component initial phases and experience acquired was then fed back into the final design of the components.

21. All components, except for the credit component (MLW/92/020) of the Small Enterprise Development Programme, are operational and have started activities at the district level. These activities reflect cooperation with NGOs, the private sector and grass-roots organizations, particularly in fields related to training, extension services and participatory approaches.

D. Coordination and resource mobilization

22. In line with General Assembly resolutions 44/211 and 47/199, and with a view to mobilizing support for government programmes assisted under the fifth country programme, UNDP engaged in an active advocacy effort in support of the

poverty alleviation focus of the programme. National workshops, seminars, task forces and extended project approval committees (PACs) have been used to promote the exchange of ideas and coordination. Bilateral and multilateral donors, United Nations agencies and NGOs participated in these forums, which, in most cases, were led by the Government.

23. Regular communication and dialogue within the donor community in Malawi has been effective in avoiding duplication and promoting complementarity. Although the process has been demanding and time-consuming for all partners, it has helped to identify potential areas of duplication, particularly with regard to support to agriculture and the smallholder sector, where various donors are involved, namely: World Bank, the European Union, the United States Agency for International Development (USAID), the International Fund for Agricultural Development (IFAD) and UNDP. Areas of cooperation have been identified with regard to social development sectors, health and education. UNDP, UNICEF, the World Health Organization (WHO), the Germany Agency for Technical Cooperation (GTZ), the Overseas Development Administration of the United Kingdom, and USAID, all important partners of the Government with regard to these sectors, are attending coordination meetings convened either by Government or donors themselves.

24. A noteworthy example of the effective facilitative role by UNDP is that played in support of the democratic transition process, which extended to providing the Government, political parties and pressure groups as well as donors with a neutral forum for dialogue. This process helped to build common ground for the donor and NGO support to the process. Given its comparative advantage, UNDP helped to mobilize almost $2.5 million in support of the democratization process through cost-sharing. A further $5 million was mobilized through parallel funding within an assistance framework developed with the United Nations Electoral Assistance Unit and the United Nations Centre for Human Rights to support the referendum, the constitutional reform process and the organization of the elections.

IV. PROGRAMME MANAGEMENT

25. The mid-term review considered the experience over the first half of the programming cycle with the programme approach, national execution and the agency support costs successor arrangements as the main modalities for the implementation of the programme.

A. Programme approach

26. The fifth country programme is composed of four programmes, each covering an area of concentration with a high impact on poverty alleviation. Each programme is composed of four to six interrelated components. The merit of the programme approach has been its contribution to focusing the formulation, implementation and the management of the programme components on poverty alleviation. It has also reduced scatterization of IPF resources. Through integrated management of the component, the main features of a national

programme, including the institutional framework, are gradually becoming clearer.

27. The disadvantage of the approach, however, has been the lengthy process of formulation and the considerable input required from all parties involved, including UNDP and the Ministry of Finance. Furthermore, the absence in the initial phases and to some extent still now, of clear guidelines pertaining to the programme approach and the related modalities of national execution and the successor arrangements have made the process even more demanding. It has also made the approval process at UNDP headquarters lengthier.

28. The meeting recognized the complexity involved in managing a national programme and the need for appropriate structures and mechanisms for monitoring, evaluation and coordination of the various elements. It was emphasized that these mechanisms should not lead to the creation of specific institutions for the management of each programme outside the government structures. The main purpose of these arrangements - programme steering committees, programme management support units and the National Execution Support Unit - should be to assist in the definition of the functions, responsibilities and mechanisms for the management of a national programme. In the process, capacities required to carry out these functions and responsibilities should be strengthened within the appropriate structures at national and local level. Currently, the various management committees comprise government staff, programme and component managers and advisers. National programme coordinators and Principal Secretaries often chair the meetings.

29. The mid-term review recognized the advantages of the programme approach with regard to the quality of the programmes and their impact. In order to avoid similar delays in the future, the meeting recommended that:

(a) The formulation of the next programme start soon and be carried out as an integral part of the monitoring, evaluation and redesign of the current programmes;

(b) The programme support document/programme support implementation arrangements be introduced to the extent possible and as appropriate during the remainder of the fifth cycle.

B. National execution

30. A fundamental shift marking the fifth country programme has been the emphasis on national execution. All components approved within the current cycle are nationally executed, amounting to approximately 80 per cent of the IPF as opposed to 40 per cent at the end of the fourth cycle. It is expected that 100 per cent of the next country programme components and programmes will use this modality. As emphasized in the meeting, the wholesale shift to national execution was linked to the adoption of the programme approach. It was also designed to reinforce national ownership through the transfer of management responsibilities to the Government in line with General Assembly resolutions 44/211 and 47/199. A clearer internalization of these programmes within

national frameworks has resulted from this modality as opposed to agency execution.

31. The national execution modality has also influenced the mix of inputs in the fifth country programme, strongly favouring national inputs. National institutes, research centres and parastatal institutions are involved in providing technical support and/or in the implementation of certain elements. Local and resident NGOs are also cooperating with the programme. The use of national experts has increased. Parallel to this, the number of international personnel has decreased and their terms of reference have been revised to reflect a more advisory and technical role as opposed to a managerial one. Training within the country and on-the-job training have also been preferred to international fellowships. Only in a few cases has this new mix of inputs affected the quality of the technical and logistical support to the programmes. However, its positive impact in the long run, in terms of national capacity-building and cost-effectiveness, is expected to outweigh its short-term limitations.

32. Bearing in mind the insufficient availability of technical and implementation capacities within Malawi, the expertise and capacities of the United Nations agencies in these areas have been mobilized through TSS-1, TSS-2, AOS and the IPF sub-line. Most components have assigned the implementation of specific budget lines (international personnel, training and international procurement) to United Nations agencies.

33. While the mid-term review considered the shift to national execution a positive one, it emphasized the associated increased pressure on limited government capacities. National and local authorities involved in the programme required further assistance and training in national execution rules and procedures. The National Execution Support Unit should intensify its training activities and move into new areas such as personnel recruitment and management, procurement and subcontracting.

34. Among the factors that contributed to the delay in the full implementation of programmes has been the absence of national policy and procedures for the recruitment of national experts, consultants and project operational staff. Transparent conditions of service should help in the short term to avoid potentially detrimental donor competition and establish conditions which the Government can afford and sustain once external funding ceases. The Government has already set up a task force to make recommendations for relevant national policies and guidelines.

35. The responsibility for the management of equipment procured lies with the national implementing agencies. This has resulted in a few problems with regard to the transfer of the equipment to the relevant national institutions since there are no mechanisms to ensure that equipment is adequately maintained and used for the purpose agreed upon. The mid-term review suggested that this matter be looked into with the assistance of the National Execution Support Unit for appropriate recommendations.

36. Despite the difficulties experienced with national execution, the mid-term review considered the modality worth pursuing in Malawi, provided attention was paid to government capacity and other operational issues.

C. Support cost arrangements

37. The support cost arrangements were introduced at the beginning of the cycle as an integral part of national execution and the programme approach. In principle, the arrangements are designed to facilitate the mobilization of United Nations specialized agency technical and professional expertise while opening up an opportunity to mobilize and build on the available national capacities in technical and logistical areas, through learning by doing. The practical experience with the arrangements, however, demonstrated a lack of understanding of the concept, and difficulty in its financial implementation and monitoring. Agencies feel that TSS-2 funds are insufficient to cover their technical support to programme components. In a few cases, agencies charged TSS-2 for the whole amount budgeted while actual technical services provided fell short of those anticipated. Negotiation of TSS-2 and AOS budgets in some cases caused delays in approval of component documents. Use of the TSS-1 facility had a catalytic effect in the formulation of land-use policy, the national community forestry programme and decentralization policy and process. However, the mid-term review noted, regarding the TSS-1 window, that the coordination process between all partners, Government, agencies, UNDP headquarters and the country office is lengthy and leads to delays in implementation of the proposals concerned.

38. While progress has, however, been made with regard to the understanding and the use of the facilities, there is still room for improvement in the financial reporting, particularly relating to the AOS sub-line available for programming. Rules governing agency charges against TSS-2 budgets need to be clarified to ensure that the facility is charged for the actual services delivered in response to the needs of the components or programmes.

39. The mid-term review reaffirmed the usefulness of the support cost arrangements within the framework of national execution, the programme approach and national capacity-building.

V. PROGRAMME IMPACT AND THEMATIC FOCUS

A. Programme impact

40. The integrated approach of the Government and UNDP partnership, combining policy dialogue, substantive support to design and management of programmes and components, has already had a significant impact on national policies and development management in general.

41. With regard to governance issues, national institutions and professionals from the public and private sectors, grass-roots organizations and political parties have been actively involved in discussions, round-table meetings and national conferences on governance issues, constitutional and legal reforms,

etc. alongside high calibre international experts and consultants. This intensive interaction has led to the building of a national capacity on governance issues.

42. At the policy level, there is a clearly visible impact, as reflected in the adoption of national policies and priorities related to poverty alleviation and decentralization. The Government is also moving towards clarifying its collaboration with NGOs in search of more effective ways of building capacities within local communities and promoting popular participation. The programme emphasis on participatory approaches to development was a contributing factor in this new orientation.

43. At the operational level, the programme contributed to the promotion of formal and informal coordination mechanisms between various ministries and institutions. Coordination within the districts and between the districts and central authorities is also increasing, partly as an indirect consequence of the process of the formulation and management of the programme.

44. The Government involvement and leadership through the programme approach and national execution has resulted in higher impact. Existing national capacities, both within and outside the Government, are being strengthened through the policy dialogue and the interaction between national institutions and UNDP in the process of formulation, design and management of the country programme.

B. Thematic focus

45. The main thematic focus is poverty alleviation. Several other themes are introduced to support it. These are: popular participation and NGOs; appropriate technology; gender and development; environment; HIV/AIDS; employment; and population.

46. These themes, also referred to as cross programme strategies, reflect most of the six areas of focus identified in Governing Council decision 90/34. Various components of the programme include within their objectives the promotion of a specific cross programme strategy or theme. These components are referred to as the home base of the relevant theme.

47. All programmes have a poverty alleviation focus, emphasize popular participation and encourage NGO collaboration. The promotion of a district development fund through Programme IV "Management for Development" and Programme II under its component of credit to small enterprise create an opportunity for communities grass-roots organizations, NGOs and local authorities to interact in a participatory manner.

48. The appropriate technology theme is promoted through a specific component "Dissemination of Appropriate Technology" (MLW/92/021) as well as through coordination with relevant components of Programme I, Programme II and Programme IV. Collaboration with NGOs is also used to disseminate appropriate technology within the communities as well as involving them in defining their needs.

49. The gender and development theme is promoted across the programme. By targeting the poor segments of the population, the programme has by definition a female-dominated target beneficiary group. The design and implementation of extension, training and popular participation systems take into consideration gender-specific issues. Programme I specifically targets women for alternative income-generating activities under the extension component. Collaboration with NGOs and grass-roots organizations facilitates the involvement of women in most programme activities.

50. Environment is promoted within specific components such as "Institutional Support for Environmental Management" (MLW/93/005) and "Natural Resources Management" (MLW/92/010). Although environmental considerations are taken into account in other components, further effort is still needed to mainstream this theme throughout the country programme.

51. Education and preventive messages related to HIV/AIDS are mainly conveyed through two components: "Health" (MLW/92/013) and "Education" (MLW/92/012). Programme IV will also incorporate these messages into its training and community mobilization activities in the future.

52. Employment and population themes are not yet operational as cross programme strategies. Scarce financial resources, coupled with a lack of clarity with regard to the institutional framework for employment, limit the prospects of operationalizing these cross programme strategies.

53. Technical cooperation among developing countries (TCDC) is not specifically listed as a thematic focus but is promoted through study tours and short-term training activities. As most United Nations Volunteers (UNVs) specialists are developing country nationals, their contributions to technology transfer and capacity-building are in line with TCDC principles and objectives. The use of fully fledged international experts under TCDC modalities is hampered by the absence of clear operational guidelines.

54. The mid-term review took note of the varying levels of progress under each theme or cross programme strategy and recommended that the responsibilities of each home base be clarified. It was also suggested that these responsibilities be reflected in the relevant home-base workplans as well as the terms of reference of appropriate component personnel. Relevant components should also be assured adequate inputs for the promotion of their cross programme strategies.

VI. PROSPECTS FOR SUSTAINABILITY AND REPLICABILITY

55. In synthesis, the fifth country programme aims at developing, piloting and building within six local impact areas, capacities and systems for a participatory approach to development that will enable the poor to benefit from basic social services, resources and advice necessary for the enhancement of their productivity and improvement of their standard of living. It appears that the Government and local communities will be able to meet the costs involved in sustaining such capacities.

56. Recent political and socio-economic development in Malawi has created an environment conducive to the successful implementation of the fifth country programme and the sustainability of its results. Among the favourable factors the most important are:

(a) Full commitment and support of the Government to poverty alleviation and decentralization;

(b) Support of major donors and interest of potential donors for poverty alleviation programmes;

(c) A sustained government effort to improve collaboration with NGOs and grass-roots organizations;

(d) A stronger national leadership in the fifth country programme period.

57. However, the mid-term review led to the identification of potential constraints that might affect the sustainability of programme results. The most important are:

(a) Lack of clear understanding of staffing, budgetary, institutional and organizational implications of the decentralization programme;

(b) Lack of adequate housing, office space and transportation, and basic infrastructure in general at the district level;

(c) Inadequacy of the salary levels and the civil service structures with regard to the decentralization policy.

58. In view of these factors, the mid-term review recommended that:

(a) A comprehensive study be carried out to determine the financial and human resources as well as the institutional reforms required to implement the decentralization policy. Resource gaps should be identified. Based on these studies, a plan for replication of the district focus approach should be drawn up. UNDP is requested to assist in this regard using SPR resources;

(b) Issues related to human resources and civil service reform be reviewed in light of the decentralization policy and poverty alleviation programmes. The capacity-building programme for economic management should include activities pertaining to these issues, taking into consideration World Bank programmes and other donor activities in this field;

(c) Bilateral and multilateral donors be approached to secure adequate funding for the improvement of basic infrastructure at the district level. A higher share of the national budget should also be earmarked to support district development capacities.

VII. KEY CONCLUSIONS AND RECOMMENDATIONS

A. Main conclusions

59. The mid-term review reaffirmed the relevance of the fifth country programme priorities, namely: (a) poverty alleviation; (b) governance; and (c) development and economic management.

60. The programme management modalities, i.e. the programme approach, national execution and the support cost arrangements were effective in:

(a) Focusing the programme on priority issues;

(b) Promoting national ownership and involvement in programme design and management;

(c) Achieving impact at the policy level.

61. The operationalization of these modalities still faces some difficulties, owing to:

(a) The lack of familiarity on the part of all parties involved;

(b) The insufficient development of appropriate national systems for technical cooperation implementation (recruitment and remuneration of national and international experts and consultants).

62. The lack of clear understanding of the implications of the decentralization process, the inadequacy of the civil service structure and the insufficient basic infrastructure at the district level might hinder the sustainability of the fifth country programme results unless appropriate action is taken by the end of the current cycle.

B. Key recommendations

63. Among the various recommendations contained in the report, the mid-term review particularly emphasized the following:

(a) A comprehensive study should be carried out to determine various implications of the decentralization policy. UNDP is requested to assist in this regard using appropriate resources, such as SPR;

(b) Issues pertaining to civil service reforms and human resources should be reviewed in the light of the decentralization policy and the focus on poverty alleviation. TSS-1 funds and the capacity-building programme for economic management could be used to assist Government with this task;

(c) The Government, with support from UNDP and other donors, should embark on the formulation and operationalization of a national resource mobilization strategy for the extension of the lessons learned under the fifth country

programme to other districts as well as the consolidation of the results both within and outside the local impact areas;

(d) Relevant ministries and government departments should meet shortly to clarify their respective responsibilities and collaboration mechanisms with regard to social policy formulation and implementation. UNDP/UNICEF and other donors will be requested to assist in this process through the provision of advisory services;

(e) The legal status of NGOs and the operational aspects pertaining to government-NGO-donor collaboration should be clarified. Efforts, already initiated by the Government, should be maintained and supported by donors;

(f) International NGOs should collaborate with national NGOs whenever possible to ensure a transfer of skills and internalization of lessons learned;

(g) The fifth country programme management structures should be firmly incorporated in the government machinery. Programme management support units should assist in building capacities and incorporating programme management functions within regular government structures;

(h) Progress should be monitored annually. This should facilitate the work planning exercise for the fifth country programme and ensure continuity as the Government and UNDP move to the next programming exercise;

(i) The Government should develop appropriate systems for the recruitment and remuneration of national experts and consultants under externally funded technical cooperation programmes.

Annex

FINANCIAL SUMMARY

I. RESOURCES

	$	$
A. Resources available for country programme period		
IPF	40 610 000	
Estimated cost-sharing	2 586 870	
Total		43 196 870 a/
B. Commitments		
Approved programmes/project budgets b/		
Approved and allocated IPF	28 859 540	
Approved and unallocated IPF	11 750 460	
		40 610 000
Approved and allocated cost-sharing	2 586 870	
Approved and unallocated cost-sharing	-	
		2 586 870
Pipeline programmes/projects		
IPF	-	
Cost-sharing	110 000	110 000
Total		43 306 870
C. Balance of resources available for further programming		
IPF		-
Cost-sharing		(110 000)
Balance of resources available		(110 000)

a/ Compared to the $62,134,000 originally anticipated for the fifth country programme of Malawi; the difference results from the 30 per cent IPF reduction to $43,494,000 and negative carry-over (borrowing) from the previous programme cycle of $2,884,000.

b/ "Approved and allocated" refer to those programmes and projects approved by the Action Committee or Bureau PAC for which there exist detailed, signed documents and budgets. "Approved and unallocated" represent the balance of funds available to the programme or project which have yet to be reflected in specific budget lines.

II. PROPOSED (P) AND ACTUAL (A) ALLOCATION OF RESOURCES BY AREA OF CONCENTRATION

(In United States dollars)

Area of concentration	IPF		Cost-sharing		Total		Percentage of total	
	(P)*	(A)	(P)*	(A)	(P)*	(A)	(P)*	(A)
Agriculture	14 000 000	10 004 082	10 300 000	-	24 300 000	10 004 082	24.8	23.2
Small enterprise	13 500 000	9 646 793	5 500 000	-	19 000 000	9 646 793	19.4	22.3
Social development	10 650 000	7 574 519	15 255 000	-	25 905 000	7 574 519	26.5	17.5
Management for development	17 137 532	12 147 814	4 697 600	-	21 835 132	12 147 814	22.3	28.1
Others plus unprogrammed reserve	6 846 468	1 236 792	-	2 586 870	6 846 468	3 823 662	7.0	8.9
Total	62 134 000	40 610 000	35 752 600	2 586 870	97 886 600	43 196 870	100.0	100.0

* (P) Including approved commitments and pipeline (1992-1996).

III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES

		At start of country programme	At time of MTR
		$	$
(a)	UNDP-administered funds	11 375 000	7 767 000
(b)	Other United Nations resources	810 000	123 350
(c)	Non-United Nations resources	0	0
	Total	12 185 000	7 890 350